

### 3. Deferred Payment Arrangements

- 3.1 Deferred payment arrangements shall be offered to residential customers as a means to satisfy delinquent account balances. SU will provide continuation of service as long as the customer honors their current payment arrangement. No payment arrangements shall be offered or given to non-residential accounts, including commercial, income/rental, or industrial properties.
- 3.2 Customers can negotiate payment arrangements in person or by phone, however on disconnect days, all arrangements must be created in-person. All arrangements will be entered into Northstar billing software at the time of negotiation.
- 3.3 Whether in person or by mail, the customer shall receive a copy of the payment arrangement. SU staff will communicate each of the following points to each customer after negotiating the arrangement.
- A. Are you satisfied with this arrangement? (review terms again if necessary)
  - B. If you do not agree to our terms, you may contact the Public Service Commission to review the disputed issues.
  - C. Do you agree that you owe the amount due under this arrangement?
  - D. This arrangement does not affect your responsibility to pay for your current service.
  - E. Once the arrangement is signed and/or mailed, no revisions or extensions will be allowed.
- 3.4 A minimum of one-third of the delinquent balance is due at the time of the payment arrangement. The remaining balance must be paid in installments no less than monthly. The full amount must be paid within 90 days of the date of the arrangement.

At its discretion, depending upon the time of year or a customer's specific circumstances, SU can require down-payments greater than one-third, up to 75% of the past-due balance. At its discretion, SU can also require that the full amounts be paid anywhere between 10 and 90 days of the date the arrangement is created.

- 3.5 An arrangement will be considered in default and cancelled if payment is not made by the due-date, is less than the agreed amount, or is returned / declined by the bank for any reason. If the customer defaults on the arrangement, the arrangement becomes void and the full past-due balance is due immediately otherwise disconnection will occur.

If SU and the customer negotiate a new arrangement, a minimum of one-half of the remaining balance will be due immediately. The remaining balance must be paid in installments no less than monthly. The full amount must be paid within 60 days of the date of the new arrangement.

At its discretion, depending upon the time of year or a customer's specific circumstances, SU can require down-payments greater than one-half, up to 90% of the past-due balance. At its discretion, SU can also require that the full amounts be paid anywhere between 10 and 60 days of the date the arrangement is created.

Accounts in violation of a second payment arrangement will be subject to immediate disconnection following the required 10-day mailed notice. No additional deferred payment arrangements will be offered or allowed, and the full past-due balance is due immediately to prevent disconnect.

- 3.6 If an account has been disconnected for non-payment, SU must offer a deferred arrangement to the customer, regardless of the number of prior defaults. If the customer qualifies for a first or second arrangement, the terms specified in 3.4 and 3.5 shall be used.

If the customer does not qualify, a down-payment of not less than 75% shall be required with the remaining balance to be paid within 30 days. These terms shall only be overruled by the Wisconsin Public Service Commission.

- 3.7 As the moratorium approaches, the down-payments for all deferred arrangements shall increase and the durations shall decrease. All deferred arrangements shall be scheduled for completion prior to ten days from the start of the moratorium.

- 3.8 Defaulted and/or completed deferred payment arrangements will be deleted from the customer's account once any of the following conditions have been met:
- A. 12-months have passed since the default date of the last deferred payment arrangement.
  - B. 120 days have passed since the successful completion of the customer's previous deferred payment arrangement.
  - C. The customer has kept their account current, with no past-due balance and no penalties being assessed for the past 90-days.

If any of the above conditions have been met, the defaulted arrangement count resets to zero, and the customer can enter into a new DPA following the guidelines set in 4.4.

- 3.9 The Utilities Accounts Receivable Technician will be responsible for updating and maintaining all payment arrangements and will coordinate disconnection procedures. A full review of all deferred arrangements will be completed at least weekly, with cancellation and notice of disconnection performed on all arrangements in default.

*Effective: Wednesday, April 01, 2009*  
*Brian R. Hoops*  
*Utilities Office & Information Systems Supervisor*